REPORT TO THE LEGISLATURE

Apples Imported by Commission Merchants

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Background

The Commission Merchants Program was established to protect producers, buyers and sellers of agricultural products against illegal business practices. Chapter 20.01 RCW, Agricultural Products – Commission Merchants, Dealers, Brokers, Buyers, Agents, was first enacted in 1959. The statute gives the Department of Agriculture the authority to regulate individuals and businesses that receive on consignment, take possession or control of or act as brokers in the resale or processing of unprocessed agricultural products, i.e. Commission Merchants. The department regulates individuals and businesses through licensing and bonding. The program investigates complaints from consignors and carries out enforcement activities. Funding for the Commission Merchants Program is provided solely through license fees and other charges.

The Washington State Department of Agriculture (WSDA) was directed by the 2002 legislature, under Chapter 235, Laws of 2002, to require each Commission Merchant handling apples imported into the United States between January 1, 2002, and November 30, 2002 to report the volume of each variety of imported apples that was received by and packed and sold by the commission merchant by December 15, 2002. WSDA was to compile the information and provide a report to the secretary of the senate and the chief clerk of the house of representatives by December 31, 2002.

WSDA tasked the Commission Merchants Program to gather and report the information. The program office, after coordinating with stakeholder associations, devised a form and method to collect the required information.

Results

Commission Merchants reported selling 3.09 million boxes of imported apples in the 11-month period of January 1 to November 30, 2002. Businesses reported importing 23 different varieties of apples, with Braeburn, Fuji and Royal Gala accounting for 70 percent of the imported apples.

Table 1 provides a breakout of the volume of imported apples by variety reported by those licensed as Commission Merchants. The apples were reported in 42-pound equivalent units, the approximate weight of a box of apples.

Table 1. Apples Imported by Commission Merchants by Variety, 2002

| Variety | Received | Packed | Sold |
|-------------------|-----------|---------|-----------|
| Bart | 1,280 | | 1,280 |
| Beauty | 278 | | 278 |
| Braeburn | 687,921 | 27,624 | 680,820 |
| Cripps Pink | 10,073 | | 10,073 |
| Fuji | 679,486 | 32,066 | 694,775 |
| Gala | 288,198 | 64,905 | 286,233 |
| Golden | 242 | | 242 |
| Granny Smith | 262,893 | 10,860 | 246,556 |
| Jazz | 1,477 | | 1,477 |
| Jonagold | 872 | | 872 |
| Macintosh | 34,176 | 1,386 | 33,886 |
| New Zealand Queen | 3,633 | | |
| New Zealand Rose | 18,088 | | 10,549 |
| Pacific Beauty | 11,055 | | 10,167 |
| Pacific Queen | 21,945 | | 21,625 |
| Pacific Rose | 123,148 | | 118,706 |
| Pink Lady | 54,363 | | 52,244 |
| Red Delicious | 637 | | 637 |
| Rose | 30,278 | 26,116 | 55,946 |
| Royal Gala | 727,837 | | 754,457 |
| Sansa | 98 | | 98 |
| Southern Rose | 90,668 | | 88,251 |
| Spartans | 546 | | 546 |
| Yataka | 5,792 | | 5,792 |
| Totals | 3,059,186 | 162,957 | 3,090,337 |

Notes

- Apples were imported from New Zealand, Chile, Argentina and Canada. Reporting on the country of origin was optional.
- The department contacted 112 businesses licensed as Commission Merchants. Sixteen (16) of the 112 businesses reported handling imported apples.
- There are other licensees who may handle imported apples. In 2002, the department issued 35 Broker licenses, 225 Dealer licenses and 3 Limited Dealer licenses and 104 Cash Buyer licenses. Businesses may be licensed in more than one category.